## Montana Legislative Fiscal Division Revenue Source Profile

Updated through June 2014

## **Rental Car Sales Tax**

## **Revenue Description**

The 4% sales tax is imposed on the base rental charge for rental vehicles. The base rental charge includes use charges for time and mileage, insurance, accessory equipment, and charges for additional or underage drivers. It does not include price discounts, charges for operating an airport concession, motor fuel, intercity drop charges, and government taxes. Rental vehicles include are light vehicles, motorcycles, motor-driven cycles, quadricycles, motorboats and sailboats, and off-highway vehicles. Sales to the U.S. government are exempt from the sales tax. Vendors are allowed to claim 5% of the tax as an allowance, up to \$1,000 per quarter.

## **Statutory Reference**

Tax Rate – <u>15-68-102(1b)</u>, <u>MCA</u>

Tax Distribution - 15-68-820, MCA

Date Due – Before the last day of the month following the calendar quarter (15-68-502(1), MCA)

**Applicable Tax Rates:** A 4% sales tax is imposed on the base rental charge for rental vehicles.

**Collection Frequency:** Quarterly

**Distribution:** All proceeds are deposited into the general fund.

**Revenue History** 

	Fiscal Year	Total Collections \$ Millions	General Fund \$ Millions	General Fund <u>% Change</u>	\$4.0 T	Rental Car Sales Tax
	<u>i cai</u>	ψ IVIIIIOTIS	Ψ IVIIIIOHS	70 Change	ψσ	
Α	1991	\$0.000	\$0.000	N/A		
Α	1992	0.000	0.000	N/A	\$3.5 -	•
Α	1993	0.000	0.000	N/A		_ /
Α	1994	0.000	0.000	N/A	\$3.0 -	<b>↑</b> •
Α	1995	0.000	0.000	N/A	φ3.0 -	/ <b>\</b>
Α	1996	0.000	0.000	N/A		<i>y</i> •
Α	1997	0.000	0.000	N/A	\$2.5 -	
Α	1998	0.000	0.000	N/A	V=.0	Ĭ
Α	1999	0.000	0.000	N/A	SC	
Α	2000	0.000	0.000	N/A	Suo   \$2.0 -	
Α	2001	0.000	0.000	N/A	Ξ	
Α	2002	0.000	0.000	N/A	↔ .	
Α	2003	0.000	0.000	N/A	\$1.5 -	
Α	2004	2.486	2.486	N/A		
Α	2005	2.566	2.566	3.2%	\$1.0 -	
Α	2006	2.755	2.755	7.4%	\$1.0 -	
Α	2007	2.976	2.976	8.0%		
Α	2008	3.157	3.157	6.1%	\$0.5	
Α	2009	2.904	2.904	-8.0%	Ψ0.0	
Α	2010	2.807	2.807	-3.3%		
Α	2011	3.149	3.149	12.2%	\$0.0	
Α	2012	3.420	3.420	8.6%	199	91 1994 1997 2000 2003 2006 2009 2012
Α	2013	3.523	3.523	3.0%		Fiscal Year
Α	2014	3.521	3.521	-0.1%		— Total — General Fund

